MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 3, 2015/2016

BAC4684 –ERP SYSTEMS

(All sections / Groups)

31 MAY 2016
9.00 a.m – 12.00 p.m
(3 Hours)

INSTRUCTIONS TO STUDENTS

1. This Question paper consists of **THREE (3)** pages excluding cover page with **FOUR (4)** Questions only.
2. Attempt **ALL** questions.
3. All questions carry equal marks and the distribution of marks for each question is given.
4. Please write all your answers in the Answer Booklet provided.

Question 1 (25 Marks)

Panorama Consulting Solutions has just released its findings on ERP Systems implementation outcomes in the USA from 2010-2014.

"...the average cost of ERP implementations has been approximately $6.1 million with an average duration of 15.7 months. Of these projects, approximately 58% of organizations exceeded their planned budgets, and 65% experienced schedule overruns. Post implementation, 53% achieved less than 50% of the measurable benefits they anticipated from new ERP software"

(2015 ERP Report, Panorama Consulting Solutions, 2015)

The Chief Executive Officer of Starry Berhad, Datuk Roy has just read the above findings. On the verge of implementing ERP Systems in his multinational company himself, Datuk Roy is now having doubts to continue with ERP Systems.

Required:

As the ERP Implementation Project Champion for the company, convince Datuk Roy to proceed with the implementation by sending an e-mail to him describing:

a) three advantages of integrated ERP systems, and

(10 marks)

b) five critical success factors in the implementation of ERP systems.

(15 marks)

[Total: 25 marks]

Question 2 (25 Marks)

A. You and a colleague, Mr. Ray are involved in the pilot testing of an ERP systems in your company. Both of you are especially impressed with the systems' speed and flexibility. Mr. Ray is curious over how the ERP systems applications can process transactions faster than regular desktop applications.

Required:
Having attended an intensive ERP systems training a few weeks earlier, explain and draw a diagram of the client-server architecture for Mr. Ray.

(10 marks)

Continued...

B. You have been appointed as one of the members of the ERP Systems implementation team in your company. The project champion has assigned you to do a research on ERP systems implementation approaches.

Based on your extensive reading on the area, you have discovered three potential implementation approaches which are the big bang, the phased rollout and the parallel adoption approaches.

Required:

Write a memorandum to the project champion, listing the advantages and disadvantages of the big bang approach, phased rollout approach and parallel adoption approach.

(15 marks)

[Total: 25 marks]

Question 3 (25 Marks)

A. Yam Berhad owns over 1,000 fast food restaurants in the Southeast Asia region. Yam Berhad's subsidiaries in the region are Yam Malaysia and Yam Singapore. Yam Malaysia has three branch offices in the northern, central and southern regions of Malaysia while Yam Singapore has eastern region and western region branch offices. The branch offices, among others, are responsible to deal with customers in the respective geographical areas.

The central and southern branch offices of Yam Malaysia sells Yam Grilled Chicken and Yam Pizza in their restaurants. The northern branch office only sells Yam Grilled Chicken. Yam Singapore in the eastern and western regions sell Yam Pizzas. The eastern region of Yam Singapore also sells condiments.

Required:

Your sister is preparing for a job interview for the position of a sales executive in Yam Berhad. She has been reading about the company online and discovered the above information from the company's website. She finds it hard to understand the Sales and Distribution (SD) organisational structure. She is also now feeling very anxious as she has just discovered that the SD functions of Yam Berhad are performed using SAP ERP system.

Having taken an intensive SAP ERP course in university, use the website's information to draw a diagram and explain the SD organizational structure to your sister.

(10 marks)

Continued...

B. ERP systems that incorporate Customer Relationship Management (CRM) software use information technology to create a cross-functional enterprise system that integrates and automates many of the customer-serving processes in sales, marketing, and customer services that interact with a company's customers. Explain what are the key application components of a CRM system and the business purpose of each of them?

(10 marks)

C. Analytical CRM extracts in-depth customer history, preferences, and profitability information from the data warehouse and other databases utilising data mining software. Differentiate between data warehouse and data mining.

(5 marks)

[Total: 25 marks]

Question 4 (25 marks)

One of the most important characteristics of ERP systems is that they are built on a single comprehensive database to share information across the enterprise. This facilitates the flow of information and simplify the complexity of an enterprise.

Required:

a) List and explain the two level of integration within an enterprise system.

(10 marks)

b) In Order-to-Cash process, SAP system integrates the processes among Sales and Distribution (SD), Material Management (MM) and Financial Accounting (FI). List and explain each of the integration among these modules.

(15 marks)

[Total: 25 marks]

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